

Thomas R. Barton (6827)
Alex B. Leeman (12578)
Matthew J. Van Wagoner (16596)
PARSONS BEHLE & LATIMER
201 South Main Street, Suite 1800
Salt Lake City, Utah 84111
Telephone: 801.532.1234
Facsimile: 801.536.6111
tbarton@parsonsbehle.com
aleeman@parsonsbehle.com
ecf@parsonsbehle.com
Receiver and attorneys for Receiver

**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF UTAH, CENTRAL DIVISION**

FEDERAL TRADE COMMISSION,

Plaintiff,

vs.

ELITE IT PARTNERS, INC., and JAMES
MICHAEL MARTINOS,

Defendants.

**FINAL DECLARATION OF RECEIVER
THOMAS R. BARTON REQUESTING
APPROVAL TO PAY FEES AND
EXPENSES OF THE RECEIVERSHIP**

Case No. 2:19-cv-00125-RJS-CMR

Thomas R. Barton, court-appointed receiver (“Receiver”) over Elite IT Partners, Inc. (“Elite IT”), and each of its subsidiaries, affiliates, successors and assigns (collectively the “Receivership Entities”), hereby submits this application for approval to pay fees and expenses of the Receivership (“Application”), and declares as follows:

1. On February 27, 2019, pursuant to an *ex parte* motion from Plaintiff the Federal Trade Commission (“FTC”), the Court issued a temporary restraining order (the “TRO”) against the Defendants, which, among other things, appointed me as a temporary receiver of the Receivership Entities. [Dkt. 14] The TRO was extended repeatedly and eventually, pursuant to

the stipulation of the parties, was converted to the Preliminary Injunction which, among other things, appointed me as Receiver of the Receivership Entities. [Dkt. 47, 59, 72, 93, 100, 102, 104.]

2. Section XX of the Preliminary Injunction states:

IT IS FURTHER ORDERED that the Receiver and all personnel hired by the Receiver as herein authorized, including counsel to the Receiver and accountants, are entitled to reasonable compensation for the performance of duties pursuant to this Order and for the cost of actual out-of-pocket expenses incurred by them, from the Assets now held by, in the possession or control of, or which may be received by, the Receivership Entities. The Receiver shall file with the Court and serve on the parties periodic requests for the payment of such reasonable compensation, with the first such request filed no more than sixty (60) days after the date of entry of this Order. The Receiver shall not increase the hourly rates used as the bases for such fee applications without prior approval of the Court.

3. The Receiver submitted his First Application and Declaration Requesting Approval to Pay Fees and Expenses of the Receivership on April 26, 2019, and that application was granted by the Court. [Dkt. 101, 113.] The Receiver submitted his Second Application and Declaration Requesting Approval to Pay Fees and Expenses of the Receivership on October 3, 2019, and that application was granted by the Court. [Dkt. 138, 141.]

4. This Final Application for Payment of Fees and Expenses covers the time period from September 1, 2019 through July 31, 2020.

5. The Preliminary Injunction, § XIV.O (and prior to that the TRO), authorizes the Receiver to establish separate bank accounts for the Receivership and provides that he “shall deposit all funds of the Receivership Entities in such designated accounts shall and make all payments and disbursements from the receivership estate from such accounts.” The Receiver established such an account at Stretto (the “Stretto Account”), and the Receiver has provided copies of the monthly Stretto Account statements to counsel for the parties, as required by the

Preliminary Injunction, § XIV.O. Copies of monthly account statements, redacted where appropriate and without copies of the checks, are attached collectively as Exhibit 1.

6. During the time period in question, the Receiver has paid various expenses of the Receivership Entities. As examples:

- a. Ongoing software licensing fees for Elite IT Home customers (and Elite itself) until these services were terminated in early 2020;
- b. Court-approved fees to the Receiver and its accountants; and
- c. Certain taxes owed to the State of Utah and United States of America.

7. Funds from the operations of Elite IT Partners, as well as the winding up and liquidation of its assets, have been deposited (or are in the process of being deposited) into the Stretto Account. No further income is anticipated. The Receiver has finished gathering and liquidating assets. All funds have been deposited into the Stretto account.

8. As of July 28, 2020, the Receiver is holding funds totaling **\$198,314.26** in the Stretto Account.

9. Attached as Exhibit 2 is a billing statement from Parsons Behle showing all work completed and not previously billed. The work performed during the applicable time period by the Receiver and other attorneys at Parsons Behle is detailed in the billing statement. The fees for the services of the Receiver and his attorneys at Parsons Behle total **\$34,086.28**. At the request of the FTC, this amount reflects an additional 3% discount.¹

¹ This amount also includes five hours of estimated additional time needed for tasks to complete the termination of the Receivership—such as making distributions, attending to the destruction of documents, closing accounts, shutting down the website, etc.

10. During the relevant time period, the work performed by the Receiver and others has consisted of:

- Ongoing analysis of the operations of the Receivership Entities, including both the “Home” and “B2B” operations. Associated communications with employees and former employees of Elite.
- Ongoing work to secure and recover Receivership assets—including receivables and amounts held on deposit with financial institutions.
- Preparation and filing of reports and updates to the Court and extending the Receivership.
- Written and telephonic communications with former customers and employees of Elite.
- Negotiations with various vendors to provide ongoing support and services for Elite customers.
- Work related to protecting, sorting, copying storing, accessing and analyzing Elite’s data and information.
- Communications with attorneys for the FTC and Martinos parties regarding various issues.
- Various administrative tasks related to the Receivership and Elite—including mail review; conferences among attorneys and other personnel; providing bank account statements to other parties; providing notices of proceedings to banks, owners of Elite, and other parties; analysis of and communications involving claim against Elite’s liability insurance (claim not pursued beyond denial by the carrier); Elite 401(k) issues; providing W-2s to Elite employees upon request.
- Assistance with preparation of Elite’s outstanding tax returns.
- Termination of Elite’s 401(k) employee benefit plan.
- Work to wind-up operations, shutting down accounts, terminate various services provided to Elite, etc.
- Voluntarily dissolving Elite with the State of Utah.
- Preparing and finalizing the necessary papers to provide a final report and terminate the Receivership.

11. The hours and billing rates for the Receiver and the attorneys and paralegals utilized by the Receiver are as follows:

	<u>Name</u>	<u>Hourly Rate</u>
a.	Thomas R. Barton, Receiver	\$305.00
b.	Alex B. Leeman, attorney	\$235.00
c.	Matthew Van Wagoner, attorney	\$195.00

12. The billing rates for the Receiver and attorneys working on this matter have been discounted substantially below their regular hourly rates. The Receiver believes these rates to be reasonable based on his 25 years of experience as an attorney in this market, local industry standards, the experience and skill of the individuals in question, and the nature of the work performed.

13. Costs and expenses incurred by the Receivership through the conclusion of the Receivership, and to be reimbursed to Parsons Behle, total **\$671.13**. This amount consists, generally, of costs associated with postage, photocopies, and legal research fees, all of which was reasonable and necessary.

14. The Receiver believes the foregoing hours and costs are all are reasonable based on his experience as an attorney, prior experience as a receiver, local industry standards, and the amount and nature of the work performed. All of the tasks performed by the Receiver and the personnel working for him were reasonably necessary in order to accomplish the goals of the Receivership as set by the Court.

15. In addition, the Receiver has personally incurred certain costs in association with the Receivership totaling **\$928.01**. These costs are described as follows and detailed in Exhibit 3, attached hereto, which are excerpts from the Receiver's credit card charges:

- a. \$548.01 in Google service charges before the service was discontinued in November 2019.

b. \$380.00 in monthly payments to Towne Storage in Vineyard, Utah for the physical storage of Elite IT documents and certain other items from October 2019 through July 2020. This material will be appropriately disposed of and the storage unit will be discontinued after entry of the final order.

16. Attached to the Receiver's Final Report as Exhibit B is a declaration from John Curtis, of Rocky Mountain Advisory, LLC ("RMA") regarding services rendered to the Receivership. Mr. Curtis and RMA are the accountants retained by the Receiver pursuant to Section XIV.F of the TRO to assist with analyzing and managing the affairs of the Receivership. The work performed by RMA is detailed in the application and the billing statement attached thereto.

17. The Receiver, having directed RMA's work, is familiar with the tasks performed by Mr. Curtis and RMA. The Receiver believes the fees and expenses owed to RMA are reasonable based on his 25 years of experience as an attorney in this market, local industry standards, the experience and skill of the individuals in question, and the nature of the work performed. Like the Receiver and his staff, Mr. Curtis and other RMA personnel are also working at discounted rates.

18. The sum total of fees and costs requested to be paid to Rocky Mountain Advisory is **\$27,471.41**.

19. In total, the Receiver seeks approval for the payment of **\$63,156.83** in reasonable fees, expenses and other costs incurred by the Receiver and his agents in operating the Receivership. If approved, the Receiver intends to pay the foregoing amounts from the funds held in the Receivership account at Stretto.

20. The Receiver has presented a draft of this motion to the attorneys for the FTC. They have no objection to the fees and expenses requested by the Receiver.

I declare the foregoing to be true and accurate, to the best of my knowledge, information and belief, under penalty of perjury of the United States of America. A proposed Order is submitted herewith.

RESPECTFULLY SUBMITTED this 31st day of July, 2020.

/s/ Thomas R. Barton
Thomas R. Barton, Receiver

Exhibit 1
Stretto Account Statements

**Mechanics Bank®**

P.O. Box 6010

Santa Maria, CA 93456-6010

Return Service RequestedMechanics Bank
Member FDIC

NMLS #442116

Period Covered:
October 01, 2019 - October 31, 2019
Page 1 of 4

Thomas R. Barton
15 West South Temple
Suite 1700
Salt Lake City UT 84101

Case Number 2:19-CV-125
Case Name ELITE IT PARTNERS. INC
RECEIVERSHIP
Trustee Number 0000640230
Trustee Name Thomas R. Barton

**Questions**

(800) 634-7734

banking.services@stretto.com

www.stretto.com**CONSOLIDATED BALANCE SUMMARY**

Account	Number	Ending Balance Prior Period	Ending Balance This Period
Checking Account TRUSTEE CHECKING	██████████	\$425,908.43	\$315,449.68
Total		\$425,908.43	\$315,449.68

Period Covered:
October 01, 2019 - October 31, 2019
Page 2 of 4

Thomas R. Barton
15 West South Temple
Suite 1700
Salt Lake City UT 84101

Case Number 2:19-CV-125
Case Name ELITE IT PARTNERS. INC
RECEIVERSHIP
Trustee Number 0000640230
Trustee Name Thomas R. Barton

 **Questions**
(800) 634-7734
banking.services@stretto.com
www.stretto.com

TRUSTEE CHECKING

Account Number: XXXXXXXXXX

Enclosures	7	Beginning Balance	\$425,908.43
Avg Collected Balance	\$425,824.00	+ Total Additions	\$14,230.11
		- Total Subtractions	\$124,688.86
		Ending Balance	\$315,449.68

Checks

* Indicates a Skip in Check Number(s)
"E" Indicates an Electronic Check

Check #	Date	Amount	Check #	Date	Amount	Check #	Date	Amount
312	10-01	41.48	319 *	10-28	8,567.50	322 *	10-30	20,754.36
314 *	10-25	8,567.50	320	10-31	84,530.53	324 *	10-28	2,129.12
315	10-30	98.37						

Credits

Date	Description	Additions
10-15	DEPOSIT 100021	14,230.11

Daily Balances

Date	Amount	Date	Amount	Date	Amount
09-30	425,908.43	10-25	431,529.56	10-30	399,980.21
10-01	425,866.95	10-28	420,832.94	10-31	315,449.68
10-15	440,097.06				

Period Covered:
November 01, 2019 - November 30, 2019
Page 1 of 4

Thomas R. Barton
15 West South Temple
Suite 1700
Salt Lake City UT 84101

Case Number 2:19-CV-125
Case Name ELITE IT PARTNERS. INC
RECEIVERSHIP
Trustee Number 0000640230
Trustee Name Thomas R. Barton

 **Questions**
(800) 634-7734
banking.services@stretto.com
www.stretto.com

CONSOLIDATED BALANCE SUMMARY

Account	Number	Ending Balance Prior Period	Ending Balance This Period
Checking Account TRUSTEE CHECKING	██████████	\$315,449.68	\$229,733.69
Total		\$315,449.68	\$229,733.69

Period Covered:
November 01, 2019 - November 30, 2019
Page 2 of 4

Thomas R. Barton
15 West South Temple
Suite 1700
Salt Lake City UT 84101

Case Number 2:19-CV-125
Case Name ELITE IT PARTNERS. INC
RECEIVERSHIP
Trustee Number 0000640230
Trustee Name Thomas R. Barton

 **Questions**
(800) 634-7734
banking.services@stretto.com
www.stretto.com

TRUSTEE CHECKING

Account Number: XXXXXXXXXX

Enclosures	7	Beginning Balance	\$315,449.68
Avg Collected Balance	\$231,547.00	+ Total Additions	\$0.00
		- Total Subtractions	\$85,715.99
		Ending Balance	\$229,733.69

Checks

* Indicates a Skip in Check Number(s)
"E" Indicates an Electronic Check

Check #	Date	Amount	Check #	Date	Amount	Check #	Date	Amount
316	11-01	6,015.36	321 *	11-01	58,312.67	325 *	11-08	5,893.44
317	11-01	5,969.28	323 *	11-04	3,465.00	326	11-25	114.96
318	11-01	5,945.28						

Daily Balances

Date	Amount	Date	Amount	Date	Amount
10-31	315,449.68	11-04	235,742.09	11-25	229,733.69
11-01	239,207.09	11-08	229,848.65		

Period Covered:
December 01, 2019 - December 31, 2019
Page 1 of 3

Thomas R. Barton
15 West South Temple
Suite 1700
Salt Lake City UT 84101

Case Number
Case Name
Trustee Number
Trustee Name

2:19-CV-125
ELITE IT PARTNERS. INC
RECEIVERSHIP
0000640230
Thomas R. Barton


Questions
(800) 634-7734
banking.services@stretto.com
www.stretto.com

CONSOLIDATED BALANCE SUMMARY

Account	Number	Ending Balance Prior Period	Ending Balance This Period
Checking Account TRUSTEE CHECKING	<div></div>	\$229,733.69	\$217,319.91
Total		\$229,733.69	\$217,319.91

Period Covered:
December 01, 2019 - December 31, 2019
Page 2 of 3

Thomas R. Barton
15 West South Temple
Suite 1700
Salt Lake City UT 84101

Case Number 2:19-CV-125
Case Name ELITE IT PARTNERS. INC
RECEIVERSHIP
Trustee Number 0000640230
Trustee Name Thomas R. Barton

 **Questions**
(800) 634-7734
banking.services@stretto.com
www.stretto.com

TRUSTEE CHECKING

Account Number: XXXXXXXXXX

Enclosures	3	Beginning Balance	\$229,733.69
Avg Collected Balance	\$217,761.00	+ Total Additions	\$714.69
		- Total Subtractions	\$13,128.47
		Ending Balance	\$217,319.91

Checks

* Indicates a Skip in Check Number(s)
"E" Indicates an Electronic Check

Check #	Date	Amount	Check #	Date	Amount	Check #	Date	Amount
327	12-03	6,854.00	328	12-02	6,233.76	329	12-23	40.71

Credits

Date	Description	Additions
12-10	DEPOSIT 100022	714.69

Daily Balances

Date	Amount	Date	Amount	Date	Amount
11-30	229,733.69	12-03	216,645.93	12-23	217,319.91
12-02	223,499.93	12-10	217,360.62		

Period Covered:
January 01, 2020 - January 31, 2020
Page 1 of 3

Thomas R. Barton
15 West South Temple
Suite 1700
Salt Lake City UT 84101

Case Number 2:19-CV-125
Case Name ELITE IT PARTNERS. INC
RECEIVERSHIP
Trustee Number 0000640230
Trustee Name Thomas R. Barton

 **Questions**
(800) 634-7734
banking.services@stretto.com
www.stretto.com

CONSOLIDATED BALANCE SUMMARY

Account	Number	Ending Balance Prior Period	Ending Balance This Period
Checking Account TRUSTEE CHECKING	██████████	\$217,319.91	\$211,456.23
Total		\$217,319.91	\$211,456.23

Period Covered:
January 01, 2020 - January 31, 2020
Page 2 of 3

Thomas R. Barton
15 West South Temple
Suite 1700
Salt Lake City UT 84101

Case Number 2:19-CV-125
Case Name ELITE IT PARTNERS. INC
RECEIVERSHIP
Trustee Number 0000640230
Trustee Name Thomas R. Barton

 **Questions**
(800) 634-7734
banking.services@stretto.com
www.stretto.com

TRUSTEE CHECKING

Account Number: XXXXXXXXXX

Enclosures	1	Beginning Balance	\$217,319.91
Avg Collected Balance	\$211,834.00	+ Total Additions	\$0.00
		- Total Subtractions	\$5,863.68
		Ending Balance	\$211,456.23

Checks

* Indicates a Skip in Check Number(s)
"E" Indicates an Electronic Check

Check #	Date	Amount
330	01-03	5,863.68

Daily Balances

Date	Amount	Date	Amount
12-31	217,319.91	01-03	211,456.23

Period Covered:
February 01, 2020 - February 29, 2020
Page 1 of 3

Thomas R. Barton
15 West South Temple
Suite 1700
Salt Lake City UT 84101

Case Number	2:19-CV-125
Case Name	ELITE IT PARTNERS. INC RECEIVERSHIP
Trustee Number	0000640230
Trustee Name	Thomas R. Barton

 **Questions**
(800) 634-7734
banking.services@stretto.com
www.stretto.com

CONSOLIDATED BALANCE SUMMARY

Account	Number	Ending Balance Prior Period	Ending Balance This Period
Checking Account TRUSTEE CHECKING	██████████	\$211,456.23	\$204,457.83
Total		\$211,456.23	\$204,457.83

Period Covered:
February 01, 2020 - February 29, 2020
Page 2 of 3

Thomas R. Barton
15 West South Temple
Suite 1700
Salt Lake City UT 84101

Case Number 2:19-CV-125
Case Name ELITE IT PARTNERS. INC
RECEIVERSHIP
Trustee Number 0000640230
Trustee Name Thomas R. Barton

 **Questions**
(800) 634-7734
banking.services@stretto.com
www.stretto.com

TRUSTEE CHECKING

Account Number: XXXXXXXXXX

Enclosures	3	Beginning Balance	\$211,456.23
Avg Collected Balance	\$206,101.00	+ Total Additions	\$0.00
		- Total Subtractions	\$6,998.40
		Ending Balance	\$204,457.83

Checks

* Indicates a Skip in Check Number(s)
"E" Indicates an Electronic Check

Check #	Date	Amount	Check #	Date	Amount	Check #	Date	Amount
331	02-04	5,836.80	332	02-12	2.60	333	02-27	1,159.00

Daily Balances

Date	Amount	Date	Amount	Date	Amount
01-31	211,456.23	02-12	205,616.83	02-27	204,457.83
02-04	205,619.43				

Period Covered:
March 01, 2020 - March 31, 2020
Page 1 of 2

Thomas R. Barton
15 West South Temple
Suite 1700
Salt Lake City UT 84101

Case Number	2:19-CV-125
Case Name	ELITE IT PARTNERS. INC RECEIVERSHIP
Trustee Number	0000640230
Trustee Name	Thomas R. Barton

 **Questions**
(800) 634-7734
banking.services@stretto.com
www.stretto.com

CONSOLIDATED BALANCE SUMMARY

Account	Number	Ending Balance Prior Period	Ending Balance This Period
Checking Account TRUSTEE CHECKING	██████████	\$204,457.83	\$204,457.83
Total		\$204,457.83	\$204,457.83



Mechanics Bank®

P.O. Box 6010

Santa Maria, CA 93456-6010

Return Service Requested



Mechanics Bank
Member FDIC
NMLS #442116

Period Covered:
March 01, 2020 - March 31, 2020
Page 2 of 2

Thomas R. Barton
15 West South Temple
Suite 1700
Salt Lake City UT 84101

Case Number 2:19-CV-125
Case Name ELITE IT PARTNERS. INC
RECEIVERSHIP
Trustee Number 0000640230
Trustee Name Thomas R. Barton

 **Questions**
(800) 634-7734
banking.services@stretto.com
www.stretto.com

TRUSTEE CHECKING

Account Number: XXXXXXXXXX

Enclosures	0	Beginning Balance	\$204,457.83
Avg Collected Balance	\$204,457.00	+ Total Additions	\$0.00
		- Total Subtractions	\$0.00
		Ending Balance	\$204,457.83

*****No activity this statement period*****

Period Covered:
April 01, 2020 - April 30, 2020
Page 1 of 2

Thomas R. Barton
15 West South Temple
Suite 1700
Salt Lake City UT 84101

Case Number

Case Name

Trustee Number

Trustee Name

2:19-CV-125
ELITE IT PARTNERS. INC
RECEIVERSHIP
0000640230
Thomas R. Barton


Questions
(800) 634-7734
banking.services@stretto.com
www.stretto.com

CONSOLIDATED BALANCE SUMMARY

Account	Number	Ending Balance Prior Period	Ending Balance This Period
Checking Account TRUSTEE CHECKING		\$204,457.83	\$204,257.83
Total		\$204,457.83	\$204,257.83

Period Covered:
April 01, 2020 - April 30, 2020
Page 2 of 2

Thomas R. Barton 15 West South Temple Suite 1700 Salt Lake City UT 84101	Case Number Case Name Trustee Number Trustee Name	2:19-CV-125 ELITE IT PARTNERS. INC RECEIVERSHIP 0000640230 Thomas R. Barton
---	--	---

 **Questions**
(800) 634-7734
banking.services@stretto.com
www.stretto.com

TRUSTEE CHECKING
Account Number: XXXXXXXXXX

Enclosures	0	Beginning Balance	\$204,457.83
Avg Collected Balance	\$204,451.00	+ Total Additions	\$0.00
		- Total Subtractions	\$200.00
		Ending Balance	\$204,257.83

Debits

Date	Description	Subtractions
04-30	BANK & TECH FEE	200.00

Daily Balances

Date	Amount	Date	Amount
03-31	204,457.83	04-30	204,257.83

Period Covered:
May 01, 2020 - May 31, 2020
Page 1 of 3

Thomas R. Barton
15 West South Temple
Suite 1700
Salt Lake City UT 84101

Case Number 2:19-CV-125
Case Name ELITE IT PARTNERS. INC
RECEIVERSHIP
Trustee Number 0000640230
Trustee Name Thomas R. Barton

 **Questions**
(800) 634-7734
banking.services@stretto.com
www.stretto.com

CONSOLIDATED BALANCE SUMMARY

Account	Number	Ending Balance Prior Period	Ending Balance This Period
Checking Account TRUSTEE CHECKING	██████████	\$204,257.83	\$203,057.83
Total		\$204,257.83	\$203,057.83

Period Covered:
May 01, 2020 - May 31, 2020
Page 2 of 3

Thomas R. Barton
15 West South Temple
Suite 1700
Salt Lake City UT 84101

Case Number 2:19-CV-125
Case Name ELITE IT PARTNERS. INC
RECEIVERSHIP
Trustee Number 0000640230
Trustee Name Thomas R. Barton

 **Questions**
(800) 634-7734
banking.services@stretto.com
www.stretto.com

TRUSTEE CHECKING

Account Number: XXXXXXXXXX

Enclosures	2	Beginning Balance	\$204,257.83
Avg Collected Balance	\$203,767.00	+ Total Additions	\$0.00
		- Total Subtractions	\$1,200.00
		Ending Balance	\$203,057.83

Checks

* Indicates a Skip in Check Number(s)
"E" Indicates an Electronic Check

Check #	Date	Amount	Check #	Date	Amount
334	05-11	100.00	335	05-15	700.00

Debits

Date	Description	Subtractions
05-29	BANK & TECH FEE	400.00

Daily Balances

Date	Amount	Date	Amount	Date	Amount
04-30	204,257.83	05-15	203,457.83	05-29	203,057.83
05-11	204,157.83				

Period Covered:
June 01, 2020 - June 30, 2020
Page 1 of 3

Thomas R. Barton
15 West South Temple
Suite 1700
Salt Lake City UT 84101

Case Number 2:19-CV-125
Case Name ELITE IT PARTNERS. INC
RECEIVERSHIP
Trustee Number 0000640230
Trustee Name Thomas R. Barton

 **Questions**
(800) 634-7734
banking.services@stretto.com
www.stretto.com

CONSOLIDATED BALANCE SUMMARY

Account	Number	Ending Balance Prior Period	Ending Balance This Period
Checking Account TRUSTEE CHECKING		\$203,057.83	\$202,557.83
Total		\$203,057.83	\$202,557.83

Period Covered:
June 01, 2020 - June 30, 2020
Page 2 of 3

Thomas R. Barton
15 West South Temple
Suite 1700
Salt Lake City UT 84101

Case Number 2:19-CV-125
Case Name ELITE IT PARTNERS. INC
RECEIVERSHIP
Trustee Number 0000640230
Trustee Name Thomas R. Barton

 **Questions**
(800) 634-7734
banking.services@stretto.com
www.stretto.com

TRUSTEE CHECKING

Account Number: XXXXXXXXXX

Enclosures	1	Beginning Balance	\$203,057.83
Avg Collected Balance	\$202,957.00	+ Total Additions	\$0.00
		- Total Subtractions	\$500.00
		Ending Balance	\$202,557.83

Checks

* Indicates a Skip in Check Number(s)
"E" Indicates an Electronic Check

Check #	Date	Amount
336	06-05	100.00

Debits

Date	Description	Subtractions
06-30	BANK & TECH FEE	400.00

Daily Balances

Date	Amount	Date	Amount	Date	Amount
05-31	203,057.83	06-05	202,957.83	06-30	202,557.83

Exhibit 2
Parsons Behle & Latimer Invoices



A Professional
Law Corporation

201 South Main Street, Suite 1800
Salt Lake City, Utah 84111
Main 801.532.1234
Fax 801.536.6111
parsonsbehle.com

July 30, 2020

Thomas R. Barton / Elite IT Receivership
201 South Main Street, Suite 1800
Salt Lake City, UT 84111

Invoice Number: 1298929
Client Number: 27866
Matter Number: 001

INVOICE SUMMARY

For professional services rendered through July 30, 2020

RE: Federal Equity Receivership

Professional Services	\$ 35,140.50
Less Professional Courtesy	<u>\$ -1,054.22</u>
Net Professional Services	\$ 34,086.28
Costs and Disbursements	<u>\$ 671.13</u>
CURRENT INVOICE TOTAL	\$ 34,757.41

Invoice Number: 1298929

July 30, 2020

PROFESSIONAL SERVICES RENDERED

Date	Tkpr	Description of Services	Hours	Amount
9/03/19	TRB	Emails with counsel regarding motion for substitution of bond. Attention to revising motions and getting them filed. (N/C)	.00	.00
9/04/19	TRB	Emails w/ M. Cavanaugh regarding Carbonite transition.	.10	30.50
9/04/19	ABL	Draft stipulated motion and proposed order of dismissal related to Utah Division of Consumer Protection case.	.70	164.50
9/06/19	TRB	Telephone conference w/ B. Williams (J. Shelby clerk) regarding joint motion to lift asset freeze.	.10	30.50
9/06/19	ABL	File dismissal pleadings in state consumer protection lawsuit. Call to Wells Fargo regarding account liquidation.	.70	164.50
9/09/19	TRB	Email from J. Farnsworth. (.1) Draft responsive email. (.6) Revisions to same, finalize, add attachments and email to J. Farnsworth. (.6) Emails w/ M. Cavanaugh regarding Carbonite email to consumers. (.1) Revisions to email. (.2) Follow up emails w/ M. Cavanaugh. (.1). Internal email regarding setting up website (.1) Conference w/ M. Van Wagoner regarding motion to approve settlement agreement and other tasks (.3)	2.10	640.50
9/09/19	ABL	Attention to second quarter workforce services report.	.30	70.50
9/09/19	MJV	Review email from T. Barton to J. Farnsworth of Muller company discussing lease settlement (0.2); review T. Barton's revisions to RQN settlement and release agreement, revise settlement and release agreement, and motion to approve (1.6).	1.80	351.00
9/10/19	TRB	Telephone conference with private investigator regarding verification of employment for former Elite IT employee. Review records. Call back and leave message.	.30	91.50
9/10/19	TRB	Further attention to USPS forwarding of mail. Telephone conference regarding employment verification for former employee.	.30	91.50
9/11/19	TRB	Draft email to J. Farnsworth in response to landlord's settlement proposal. (.5) Revisions to same based on input from others. (.2) Follow up email with Farnsworth and others regarding our deal. (.2) Emails w/ M. Cavanaugh at Carbonite regarding transition with data back up. (.2) Emails with FTC regarding same. (.1) Attention to setting up receivership email and tests of same. (.3)	1.40	427.00

PARSONS BEHLE & LATIMER

Invoice Number: 1298929

July 30, 2020

Date	Tkpr	Description of Services	Hours	Amount
9/11/19	MJV	Discuss with T. Barton the settlement arrangements between Canyon Park and Elite IT (0.3); review Master Lease Agreement and associated settlement emails (0.9); revise Settlement and Mutual Release Agreement by and between Elite IT and RQN and the associated Motion to approve (1.2)	2.50	487.50
9/12/19	TRB	Emails regarding American Express expenses. Emails regarding Wells Fargo activity. Emails w/ M. Cavanaugh and R. Lonergan regarding: Carbonite email blast and receivership email.	.40	122.00
9/12/19	TRB	Emails regarding AMEX bills and charges. Further emails regarding establishing receivership email address.	.30	91.50
9/13/19	TRB	Review Amex charges, sign check, gather other checks and arrange for delivery to J. Curtis. (.3) Emails w/ J. Curtis regarding same (.1).	.40	122.00
9/13/19	MJV	Review and analyze master lease with Canyon Park and emails between Receivership and The Muller Company regarding lease settlement (0.9).	.90	175.50
9/17/19	TRB	Review and revise billings for purposes of fee application.	.50	152.50
9/18/19	TRB	Review emails from FTC attorney A. Grier regarding changes to settlement order and order regarding stay. (.2) Sign and email signature page on one order. (.1) Email A. Grier regarding suggested change to the order to stay and associated reviews of prior orders. (.4) Emails w/ J. Curtis regarding Symantec. (.1) Telephone conference w/ Wells Fargo regarding signing documents to update accounts. (.1) Visit Wells Fargo and sign the appropriate documents. (.5) Emails w/ M. Cavanaugh regarding mass email regarding Carbonite. (.1) Attention to new emails and conference with A. Leeman regarding same. (.1) Revise billings as part of fee application. (.5) Gather and review other billings and receipts as part of fee application. (.5)	2.60	793.00
9/19/19	TRB	Work on fee application: gather receipts, bills, and invoices; draft application including description of activities; etc. (3.0). Emails w/ J. Curtis and A. Leeman regarding J. Martinos' request for reimbursement and associated review of credit card bills and spreadsheet (.5.) Emails regarding turning off Google suite (.1).	3.60	1,098.00
9/20/19	TRB	Continue to work on fee application: Go through costs/expenses; emails regarding same; work with combining, redacting and organizing exhibits; revisions and additions to text of application; emails to colleagues and FTC counsel regarding draft fee application (3.0). Further emails regarding J. Martinos Citibank expenses (.1). Communications with A. Leeman regarding Google Suite access (.1). Emails regarding order for stay (.1). Review and revise motion for approval of settlement as to RQN fees (.8).	4.10	1,250.50

PARSONS BEHLE & LATIMER

Invoice Number: 1298929

July 30, 2020

Date	Tkpr	Description of Services	Hours	Amount
9/20/19	ABL	Attention to shut down of Google accounts and archiving of data.	1.00	235.00
9/23/19	TRB	Further revisions to motion for approval with RQN. (.4) Revisions to settlement agreement with RQN. (.1) Email to M. Van Wagoner regarding same. (.1) Review cancelled check notification from Rabobank and emails w/ J. Curtis regarding same. (.3) Further review of J. Martinos request for reimbursement regarding credit card charges and analysis of same--including review of prior emails and motions. (1.8) Draft potential email response to J. Martinos. (.5) Emails to FTC and J. Curtis regarding same. (.4) Telephone conference w/ Sumer @ Wells Fargo regarding release of funds. (.1).	3.70	1,128.50
9/24/19	TRB	Email regarding Elite 401(k). (.1). Attention to substitute bond check and emails regarding same. (.1) Sign checks and arrange for delivery back to J. Curtis. (.1) Emails with M. Van Wagoner regarding: agreements and motions to approve settlements. (.1) Emails regarding credit card reimbursement issues for J. Martinos. (.3) Telephone call with from Sumer Holt @ Wells Fargo regarding release of funds in Elite IT Partners' accounts and need to fax FTC release to bank. (.2) Review proposed orders from FTC and other documents regarding lifting of asset freeze. (.2) Email to FTC attorneys regarding letter from them consenting to the release of the funds. (.3)	1.40	427.00
9/24/19	MJV	Analyze T. Barton's revisions to RQN Settlement Agreement and corresponding Motion, revise Settlement Agreement and Motion, and email T. Barton revised versions.	.80	156.00
9/25/19	TRB	Final review of settlement agreement and motion regarding RQN settlement and remove metadata and other elements from drafts. (.3) Email to P. Burke regarding: same. (.1) Telephone calls w/ Equifax regarding employment verification question and associated review of limited employment records (.3). Telephone conference with FTC attorneys regarding credit card reimbursement for J. Martinos, fee application, status, etc. (.8) Follow up emails with FTC regarding Wells Fargo letter and deposits from payment processors (.2) Work on email to J. Martinos regarding denial of credit card reimbursement. (.3)	2.00	610.00
9/25/19	MJV	Revise draft settlement and mutual release agreement with The Muller Group and corresponding Motion (0.8).	.80	156.00
9/26/19	TRB	Emails with E. Kappler regarding letter assenting to release of funds from Wells Fargo. (.1) Telephone calls to and from S. Holt at Wells Fargo regarding same. (.2) Continue working on responsive email to J. Martinos regarding credit card reimbursement and email draft to FTC attorneys (1.2). Emails w/ FTC attorneys regarding same. (.1) Make final revisions to email to J. Martinos and send out (.4) Find, copy and email Muller letter regarding landlord change to M. Van Wagoner. (.2)	2.20	671.00

PARSONS BEHLE & LATIMER

Invoice Number: 1298929

July 30, 2020

Date	Tkpr	Description of Services	Hours	Amount
9/26/19	ABL	Review correspondence to and from Jacob Martinos regarding reimbursement.	.10	23.50
9/26/19	MJV	Discuss Muller settlement agreement and Muller Tenant Notice Letter with T. Barton (0.3); review tenant notice letter (0.2).	.50	97.50
9/27/19	TRB	Attention to billing issues and requested discount from FTC. (.5) Telephone conference w/ S. Holt @ Wells Fargo regarding withdrawal of funds and legal hold. (.1) Emails w/ FTC regarding same (.1) Emails w/ accountants regarding wiring instructions. (.1).	.70	213.50
9/27/19	ABL	Attention to archiving and cancellation of Google accounts.	2.00	470.00
9/30/19	TRB	Emails w/ John Curtis regarding 401(k) tax filing and letter regarding credit card reimbursement. (.1) Draft letter to Wells Fargo regarding closure of remaining accounts and transfer of funds. (.7) Final review and arrange for faxing. (.2) Conference w/ M. Van Wagoner regarding settlement with landlord and need for rep and warranty regarding prior landlord/assignor. (.1) Follow up emails regarding same. (.1)	1.20	366.00
9/30/19	MJV	Discuss and analyze Canyon Park settlement agreement and motion with T. Barton (0.2); revise agreement and motion (1.2); email draft agreement and motion to T. Barton (0.1)	1.50	292.50
10/01/19	TRB	Review / revise settlement agreement with Landlord to take into account indemnification, unpaid invoice from Landlord to Elite regarding IT services, and other issues (1.5). Emails w/ M. Van Wagoner regarding: same (N/C). Emails w/ J. Curtis regarding 401(k) administration and closure (.1). Emails regarding approval of discount on fees for FTC (N/C)	1.60	488.00
10/02/19	TRB	Telephone conference with Wells Fargo regarding distribution of funds (.1). Emails with FTC attorneys regarding same and other issues (.1). Telephone conference with FTC attorneys regarding fee application (.1). Conference with M. Van Wagoner regarding Landlord Settlement (.1). Attention to fee application issues (.1).	.50	152.50
10/02/19	MJV	Discussion with T. Barton regarding Canyon Park Matters (0.2); revise Settlement Agreement and associated Motion and email both to T. Barton for review (1.1).	1.30	253.50
10/03/19	TRB	Revise fee application based on discounting and other adjustments. Emails regarding receivership bond and discounting with Prince Yeates personnel. Emails regarding filing fee application.	.60	183.00
10/04/19	TRB	Emails w/ B. Williams (court clerk) regarding proposed order on motion for approval of Receiver's expenses (.2). Draft proposed order (.4).	.60	183.00
10/08/19	TRB	Further revisions to proposed order on fees and emails regarding same.	.20	61.00

PARSONS BEHLE & LATIMER

Invoice Number: 1298929

July 30, 2020

Date	Tkpr	Description of Services	Hours	Amount
10/09/19	TRB	Attention to cashier's check and delivery of same. (.1) Emails w/ J. Farnsworth and send him draft Settlement Agreement. (.2) Emails w/ J. Robertson regarding website and payment of invoice. (.1) Telephone conference w/ B. Williams (J. Shelby's clerk) regarding proposed order. (.1) Email to counsel regarding same.(.2)	.70	213.50
10/10/19	TRB	Telephone conference w/ P. Burke regarding settlement agreement with RQN and proposed motion. (.1) Email to FTC regarding same, and follow up emails (.2).	.30	91.50
10/11/19	TRB	Emails w/ J. Curtis regarding scheduling end of services for consumers-- Carbonite, Trend Micro, Net Nanny, etc. (.3) Telephone conference with consumer M. Kasapidis (.2). Emails regarding return of deposit to PYG and status of fee application (.1).	.60	183.00
10/14/19	TRB	Emails w/ J. Farnsworth (Landlord) regarding settlement agreement (.1). Email to J. Curtis regarding Carbonite email (.1). Review Receivership website regarding needed updates and send Court filings to J. Robertson for him to upload along with explanatory email (1.2).	1.40	427.00
10/15/19	TRB	Emails w/ S. Aldous of Carbonite regarding Rocky Mountain request. (.1) Emails with J. Curtis regarding invoices, payments, etc. (.1) Check website for updates (.1) Draft changes for website regarding discontinuance of consumer software services and other issues (1.0). Emails w/ team regarding same (.1). Emails w/ J. Farnsworth (Landlord) regarding mail and settlement agreement (.1).	1.50	457.50
10/16/19	TRB	Emails w/ Landlord regarding mail, keys and settlement agreement. (.1)	.10	30.50
10/16/19	MJV	Review and analyze Muller Group's edit to Settlement Agreement (0.4).	.40	78.00
10/17/19	TRB	Emails w/ J. Robertson regarding website update status. Emails w/ J. Curtis regarding payment of payables. Conferences w/ A. Leeman regarding accessing J. Martinos email. Follow up emails regarding same. Emails w/ C. Robbins. Attention to mailing of Receivership bank statement.	1.00	305.00
10/17/19	ABL	Review website update. Access email server to retrieve service provider invoices. Respond to customer emails. Download and archive all G-Suite data.	2.80	658.00
10/18/19	TRB	Email to Ingram Micro regarding receivership and authority. (.6) Follow up emails. (.1) Attention to Mozy check. (.1) Conference with M. Van Wagoner regarding settlement with Landlord. (.2) Telephone Conference with consumer Dennis Fell. (.4) Emails with J. Robertson regarding Website updates and link. (.2)	1.60	488.00

PARSONS BEHLE & LATIMER

Invoice Number: 1298929

July 30, 2020

Date	Tkpr	Description of Services	Hours	Amount
10/24/19	TRB	Review order from Court allowing second application. Emails w/ accountants and other payees regarding checks and payments.	.20	61.00
10/25/19	TRB	Sign checks and attention to delivery/mailing of checks.	.10	30.50
10/28/19	TRB	Emails and phone calls regarding canceling Gmail suite	.20	61.00
10/29/19	ABL	Search Elite IT emails for information regarding missing assets or expenses. Terminate G-Suite subscription.	1.20	282.00
11/11/19	TRB	Emails w/ Carbonite regarding transition. Emails w/ J. Curtis regarding 401(k) plan. Review website.	.20	61.00
11/14/19	TRB	Telephone conference w/ consumer (Elizabeth Todd) regarding transition to Carbonite.	.20	61.00
11/19/19	TRB	Review Canyon Park changes to settlement agreement and make revisions. (.5) Telephone conference w/ customer Gloria Miller. (.2) Emails w/ P. Burke regarding finalizing settlement with RQN and submitting motion (.2). Attention to executing settlement agreement, finalizing motion and getting it filed and emailing copy to P. Burke. (.3) Emails w/ R. Pankhe regarding Martinos approval (.1). Other emails regarding payment from Payliance. (.1)	1.40	427.00
11/19/19	MJV	Review RQN Settlement Agreement and emails regarding execution.	.30	58.50
11/20/19	TRB	Emails w/ A. Grier regarding settlement approval (.1). Emails w/ Court clerk regarding proposed order (.1). Sign check regarding Amex and arrange for delivery to RMA. (.1).	.30	91.50
11/21/19	TRB	Draft proposed order on settlement with RQN. (.4) Email to J. Shelby's clerk and others regarding same (.2) Arrange for filing proposed order on ECF. (.1) Emails regarding FTC's approval of settlement with Martinos. (.1)	.80	244.00
11/22/19	TRB	Emails w/ M. Van Wagoner regarding settlement with Landlord (.1) Emails w/ S. Aldous regarding amount owed to Carbonite for services through mid-December (.2).	.30	91.50
11/22/19	MJV	Discuss, review and revise Settlement Agreement with the Muller Group with T. Barton (0.3); revise Settlement Agreement and email revised agreement to Muller(0.7).	1.00	195.00
11/25/19	TRB	Conference w/ M. Van Wagoner regarding settlement with Landlord (.1). Forward draft settlement to FTC for approval (.1).	.20	61.00

PARSONS BEHLE & LATIMER

Invoice Number: 1298929

July 30, 2020

Date	Tkpr	Description of Services	Hours	Amount
11/25/19	MJV	Discuss Settlement and Release Agreement (Canyon Park) with T. Barton and prepare agreement in execution form (0.3); draft and revise Motion to Approve Settlement and Release Agreement (Canyon Park) and Proposed Order Approving Settlement and Release Agreement and send to T. Barton for review (1.0).	1.30	253.50
11/26/19	TRB	Emails w/ A. Grier from FTC regarding settlement agreement with Landlord. (.1) Sign settlement agreement and forward to M. Van Wagoner. (.1). Review and revise motion to approve settlement agreement and proposed order. (.5). Email to M. Van Wagoner regarding same. (.1) Emails w/ Canyon Park contacts. (.1)	.90	274.50
11/26/19	MJV	Email Muller Group partially executed Settlement Agreement; mail Muller Group partially executed original Settlement Agreements; request scanned versions of fully executed Settlement Agreement; begin to assemble all required documents for filing with Court.	.80	156.00
11/27/19	TRB	Telephone conference w/ attorney for Aspen Brook regarding status, receivables, etc. (.3) Draft email to Symantec regarding cutting off services. (.3) Review Symantec invoices regarding amounts owing. (.2) Emails regarding same. (.1)	.90	274.50
11/27/19	MJV	Discuss filling of order, motion and agreement with T. Barton and K. Le.	.30	58.50
12/02/19	TRB	Forward proposed order on Motion to Approve Settlement with Landlords to Judge's clerk, and subsequent emails with him.	.10	30.50
12/09/19	TRB	Review orders entered by the Court on Friday. (.1) Forward copies of the RQN Order and the Canyon Park Order to those entities along with explanatory emails. (.2)	.30	91.50
12/16/19	TRB	Emails regarding American Express bill. Sign check and arrange for deliver.	.10	30.50
12/20/19	TRB	Telephone call with customer Barbara Nelson regarding Elite and being out of business. Email to J. Young regarding W-2s.	.20	61.00
12/24/19	TRB	Review and sign Ingram Micro Check with payment in full on it. Emails w/ J. Curtis regarding same.	.10	30.50
12/26/19	TRB	Telephone conferences w/ Hire Right personnel regarding verifying employment records for Kevin Harrison and Michael Maxwell. Emails regarding same.	.20	61.00
12/27/19	TRB	Emails w/ J. Martinos and J. Curtis regarding DWS voicemail and concerns.	.20	61.00

PARSONS BEHLE & LATIMER

Invoice Number: 1298929

July 30, 2020

Date	Tkpr	Description of Services	Hours	Amount
12/31/19	TRB	Fill out and fax employment verification sheet regarding Michael Maxwell. Review records and leave employment verification message regarding another employee.	.40	122.00
1/13/20	TRB	Emails regarding W-2 for employee. Telephone calls regarding T. Allen employment verification.	.30	91.50
1/21/20	TRB	Emails w/ J. Curtis regarding wrapping up receivership, including W-2's, termination of 401(k) Plan, etc.	.20	61.00
1/27/20	TRB	Telephone conference w/ former customer T. Orange regarding possible scam and following up with FTC. (.1) Emails regarding same. (.1) Emails w/ J.Curtis regarding Ingram Micro invoice and payment thereof (.1)	.30	91.50
1/28/20	TRB	Conference w/ A. Leeman regarding closing receivership, tasks, funds on deposit, etc.	.30	91.50
1/28/20	ABL	Review notes regarding remaining receivership tasks. Attention to receivership emails.	.70	164.50
1/30/20	TRB	Telephone conference w/ A. Grier regarding status of receivership, etc. (.4) Emails w/ J. Curtis regarding balance of funds in account, W-2s, etc. (.2). Emails w/ V. Trujillo regarding W-2s (.1).	.60	183.00
1/31/20	TRB	Emails w/ J. Curtis regarding W-2s. (.1) Email specific W-2s to employees pursuant to their requests. (.3)	.40	122.00
2/04/20	TRB	Sign check to IRS. (.1) Email to Charlotte Heeg regarding W-2. (.1) Telephone call to A. Grier regarding follow up items. (.1) Review receivership account transactions. (.2) Email to A. Grier, etc. regarding follow up items. (.2) Emails w/ M. Van Wagoner regarding dissolution. (.1)	.80	244.00
2/05/20	TRB	Telephone calls and emails with employees (Twelker and Heeg) about W-2s. Emails from Curtis regarding 401(k) plan.	.50	152.50
2/10/20	TRB	Telephone conference w/ Wells Fargo regarding safe deposit box and no remaining deposits.	.20	61.00
2/11/20	TRB	Telephone call and email to FTC (message with A. Grier) regarding prior email and call from Wells Fargo about the safe deposit box. Telephone conference with employee (K. Hansen) regarding W-2 and email copy to him. Telephone conference w/ C. Robbins regarding safe deposit box and other dealings with Wells Fargo. Telephone call to R. Pankhe regarding safe deposit box. Telephone call to C. Tate @ Wells Fargo regarding FTC's issues with Money Market Account.	.70	213.50

PARSONS BEHLE & LATIMER

Invoice Number: 1298929

July 30, 2020

Date	Tkpr	Description of Services	Hours	Amount
2/12/20	TRB	Phone call from T. Martinos regarding safe deposit box. Telephone call to E. Benson regarding same (left message). Telephone calls and emails from employees (Paola Serrano, Taylor Pack, Tyler ?) regarding W-2s and email W-2s to some of them.	.40	122.00
2/13/20	TRB	Emails w/ T. Martinos regarding safe deposit box issue. Emails with RQN attorneys and B. Tolman regarding communicating with T. Martinos. Telephone conference w/ T. Martinos regarding safe deposit box issue. Emails w/ FTC attorneys regarding same. Review proposed order regarding change to Order of Dismissal. Email to E. Kappler regarding same. Telephone calls with employees (Pack and Wixom) and email copies of W-2s to them.	1.00	305.00
2/14/20	TRB	Note filings by FTC regarding changes to order regarding Wells Fargo. Email to T. Martinos regarding same. Emails w/ FTC regarding calling clerk to speed things along.	.30	91.50
2/18/20	TRB	Telephone conference with FTC attorneys regarding order, Wells Fargo, etc. Telephone conference w/ B. Williams, Court Clerk, regarding same. Email to other counsel regarding same. Emails w T. Martinos regarding same. Telephone call to C. Tate (left message) at Wells Fargo. Note Court's ruling on order.	.70	213.50
2/19/20	TRB	Forward order to T. Martinos with explanatory email. Emails w/ FTC regarding amended order. Telephone calls to/from C. Tate at Wells Fargo regarding same.	.30	91.50
2/20/20	TRB	Review communications between FTC and Wells Fargo regarding wiring of funds. Follow up emails w/ FTC attorneys regarding same.	.10	30.50
2/26/20	TRB	Emails w/ FTC counsel regarding Wells Fargo transfer.	.10	30.50
2/27/20	TRB	Emails w/ FTC attorneys regarding WF wire transfer.	.10	30.50
2/28/20	TRB	Emails w/ FTC regarding WF transfer and safe deposit box.	.10	30.50
3/02/20	TRB	Emails w/ FTC regarding receipt of wired funds from Wells Fargo. Telephone conference w/ Cherie @ Wells Fargo regarding same. Email to T. Martinos regarding same. Telephone conference with former employee (E. Carroll) regarding W-2. Email redacted version of W-2 to him.	.60	183.00
3/03/20	TRB	Telephone conference w/ A. Smiley regarding W-2. Forward W-2 to him. Conference w/ M. Van Wagoner regarding closing out corporation. Telephone conference w/ former customer who was being scammed. Review email from her and forward to FTC attorneys.	1.00	305.00
3/23/20	TRB	Emails w/ former employee about W-2 copy.	.10	30.50

PARSONS BEHLE & LATIMER

Invoice Number: 1298929

July 30, 2020

Date	Tkpr	Description of Services	Hours	Amount
3/24/20	TRB	Telephone conference with former Elite IT employee Cherrington regarding W-2. Create pdf version of W-2 and email it to him.	.20	61.00
4/10/20	TRB	Gather documents comprising signed agreement with DP-7 and email to J. Curtis. Telephone conference w/ Morgan @ Stretto regarding Coronavirus circumstances and changes going forward.	.40	122.00
4/13/20	TRB	Emails w/ FTC attorneys regarding a call tomorrow and set up call (.1) Emails w/ A. Leeman, M. Van Wagoner and J. Curtis regarding winding up Receivership, etc. (.2). Emails w/ C. Preston regarding website hosting fees. (.2). Telephone conference w/ M. Van Wagoner regarding drafts of dissolution documents with the State (.1).	.60	183.00
4/13/20	MJV	Analyze and revise Utah's dissolution statutes and procedures; discuss dissolution filings with Utah Division of Corporations (required SH approval); draft Articles of Dissolution, Written Consent of Elite IT authorizing and approving dissolution, and Plan of Dissolution ; email T. Barton for review.	3.30	643.50
4/14/20	TRB	Emails w/ J. Curtis regarding tax return filings and timing. (.1) Draft task list and emails regarding same. (.6) Begin revisions to documents drafted by M. Van Wagoner. (3) Telephone conference w/ FTC attorneys and A. Leeman. (.6) Follow up emails regarding changes to task list and assignments. (.3) Emails regarding producing draft invoice. (.1) Initial review of same. (.1) Review Stretto account and note balance and activity. (.2) Email to FTC attorneys regarding same. (.1) Emails and phone call w/ former Elite IT employee (Paige Woerner) regarding W-2.	2.40	732.00
4/14/20	ABL	Attention to wrap up of receivership. Conference call with FTC attorneys and receiver.	.90	211.50
4/16/20	TRB	Work on draft invoice at request of FTC (N/C)	.00	.00
4/17/20	TRB	Revisions to Plan of Dissolution, Consent/Acknowledgment, and Articles of Dissolution. Emails w/ M. Van Wagoner regarding same. Emails w/ J. Curtis regarding Mr. Martinos. Email from B. Williams (J. Shelby clerk) and subsequent phone call with him. Email regarding same to FTC attorneys. Email draft documents to FTC attorneys.	1.80	549.00
4/17/20	MJV	Discuss dissolution documents with T. Barton; revise docs.	.40	78.00
4/18/20	TRB	Further review and revisions to corporate dissolution documents. Email to FTC attorneys regarding same.	.60	183.00
4/20/20	TRB	Emails w/ C. Robbins regarding revisions to dissolution documents.	.10	30.50
4/21/20	ABL	Attention to clean up and archiving of Elite IT data and documents. Review email inbox. Work on wind-up issues.	.90	211.50

PARSONS BEHLE & LATIMER

Invoice Number: 1298929

July 30, 2020

Date	Tkpr	Description of Services	Hours	Amount
4/21/20	MJV	Revise dissolution docs as discussed with T. barton and C. Robbins; review past orders and filings.	.90	175.50
4/22/20	TRB	Telephone conferences with M Van Wagoner regarding Revisions to dissolution documents and forward order (n/c)	.10	30.50
4/23/20	TRB	Further revisions to Dissolution documents, attention to redlining, and email revised versions to FTC. Emails w/ J. Curtis regarding estimate of fees.	.50	152.50
4/27/20	TRB	Emails regarding tax return and dissolution documents.	.10	30.50
4/28/20	TRB	Review draft of 2019 Elite tax return. Emails to accountants regarding various questions and potential corrections. Emails w/ FTC regarding estimates of cash remaining in account. Emails w/ J. Curtis regarding same and initial review of his spreadsheet. Sign and scan final versions of dissolution documents to M. Van Wagoner for filing with the State. Emails regarding same.	1.40	427.00
4/28/20	MJV	Review final executed versions of dissolution documents sent by T. Barton; file Articles of Dissolution with Division of Corporations	.40	78.00
4/29/20	TRB	Further emails with accountants regarding Elite 2019 Tax Return. Review accountants spread sheet of expenses. Review records and make changes regarding same. Further emails regarding same. Emails w/ M. Van Wagoner regarding dissolution. Email spreadsheet to FTC. Work on Final Status Report, Request for Fees and Costs, and Motion to Terminate Receivership. Draft Notice regarding dissolution.	4.50	1,372.50
4/30/20	TRB	Communications w/ A. Leeman regarding terminating receivership, plan of distribution, claims process, etc. Conference regarding expiration of receivership and curing same. Revisions to Final Status Report and Motion to Terminate. Send draft to FTC. Review Articles of Dissolution as filed. Revise Notice of Dissolution. Additional email to FTC regarding Notice and other issues--including expiration of receivership. Emails w/ M. Van Wagoner. Emails w/ J. Curtis regarding various issues.	1.80	549.00
4/30/20	ABL	Research procedures for closing receivership. Review and edit motion to terminate. Confer with IT consultant regarding updates to receivership website. Begin drafting final order.	3.10	728.50
4/30/20	MJV	Discuss dissolution filings with T. Barton and email J. Steer of Division or Corporations regarding filings and evidence of filings; email T. Barton stamped copy of Articles of Dissolution.	.50	97.50
5/01/20	TRB	Emails w/ C. Robbins regarding status (N/C)	.00	.00

PARSONS BEHLE & LATIMER

Invoice Number: 1298929

July 30, 2020

Date	Tkpr	Description of Services	Hours	Amount
5/04/20	TRB	Revisions to Final Status Report, etc. Emails w/ J. Curtis regarding Guidant and Elite's 401k plan. Telephone call to Guidant and leave message regarding terminating the plan. Email to Jacob Martinos regarding same. Communications with J. Curtis regarding checks, sign checks and arrange for delivery back to RMA.	.80	244.00
5/05/20	TRB	Review order from Court extending Receivership. Telephone calls w/ Guidant regarding termination of 401k plan. Email to A. Powell @ Guidant regarding same. Emails w/ J. Curtis regarding same.	.40	122.00
5/05/20	ABL	Edit Receiver's final report and motion to terminate. Draft final order and send to T. Barton for review.	1.90	446.50
5/07/20	TRB	Follow up email to Guidant/Ashley regarding termination of 401k plan. Brief review of new tax documents from accountants. Email to them regarding date for authorization of liquidation.	.30	91.50
5/08/20	TRB	Emails w/ Guidant regarding termination of 401K. (N/C)	.00	.00
5/11/20	TRB	Emails w/ Ashley @ Guidant regarding reinstatement in order to terminate plan. Sign reinstatement documents and emails regarding same. Review revised tax return, sign same and arrange for delivery.	.80	244.00
5/12/20	TRB	Revisions to draft Final Report. Email to FTC along with draft Final Report, Tax Return, etc. Emails w/ accountants regarding 2020 financial numbers. Review of same. Email to Guidant regarding next steps.	.80	244.00
5/13/20	TRB	Emails w/ Guidant and accountants regarding closing 401k plan. (N/C)	.00	.00
5/14/20	TRB	Review emails between J. Curtis and J. Martinos regarding 401K plan. Emails w/ J. Curtis regarding same and regarding termination of plan and participants.	.10	30.50
5/20/20	TRB	Create authorization and decision document regarding termination of Elite IT 401k. Revise and sign as receiver. Complete various other forms from J. Curtis and Ashley. Sign and scan them. Follow up emails w/ J. Curtis regarding same.	2.00	610.00
5/21/20	TRB	Review emails between J. Curtis and Ashley regarding 401k plan termination. Email to Ashley. Emails to FTC attorneys regarding status and termination.	.30	91.50
5/26/20	TRB	Review 2020 tax return and corp. dissolution form. Follow up questions and answers from J. Gifford (accountant) regarding 2020 return. Sign return and form and emails to J. Gifford regarding same. Deliver documents to J. Gifford (N/C).	.40	122.00
5/29/20	TRB	Email to Ashley regarding 401(k) update. Sign check. Deliver to RMA (N/C).	.20	61.00

PARSONS BEHLE & LATIMER

Invoice Number: 1298929

July 30, 2020

Date	Tkpr	Description of Services	Hours	Amount
6/08/20	TRB	Emails w/ A. Leeman, etc. regarding 401(k) status and extending receivership.	.10	30.50
6/09/20	TRB	Emails from Ashley regarding Guidant 401k plan. Emails w/ A. Leeman and J. Curtis regarding same.	.20	61.00
6/09/20	ABL	Emails to 401k administrator seeking additional information about time it will take to terminate plan.	.10	23.50
6/11/20	ABL	Draft motion to extend receivership.	.80	188.00
6/12/20	TRB	Conferences w/ A. Leeman regarding Motion to Extend Receivership, and issues related to 401k plan.	.10	30.50
6/12/20	ABL	Finalize and file motion to extend receivership.	.10	23.50
6/18/20	TRB	Emails regarding closing 401k plan. Attention to getting login and password from Guidant's system. Attention to getting login and password from DOL on EFAST2. Emails w/ J. Curtis regarding same. Email to Ashley regarding same. Respond to employment verification inquiry.	.70	213.50
6/25/20	TRB	Review documents regarding information for census to close 401k account. Emails w/ J. Curtis regarding same.	.30	91.50
7/03/20	TRB	Email w/ Guidant regarding terminating 401k plan and charge to my credit card.	.20	61.00
7/06/20	TRB	Forward W-2 to former employee Sharp. Emails regarding termination of 401k plan.	.20	61.00
7/08/20	ABL	Emails regarding termination of 401k plan.	.10	23.50
7/14/20	TRB	Email from Guidant regarding Form 550. Emails w/ our group regarding same. (N/C)	.00	.00
7/14/20	ABL	Draft and file third request for extension of receivership.	.20	47.00
7/15/20	TRB	Emails w/ V. Trujillo regarding calls from Utah State Tax Commission. Telephone conference w/ Utah State Tax Commission regarding unpaid employer withholding tax. Follow up emails w/ J. Curtis regarding cutting check for this.	.40	122.00
7/17/20	TRB	Attempt to file 5500 for 401k plan. Email to Ashley regarding same. (N/C)	.00	.00

PARSONS BEHLE & LATIMER

Invoice Number: 1298929

July 30, 2020

Date	Tkpr	Description of Services	Hours	Amount
7/21/20	TRB	Emails w/ J. Curtis regarding review of 2018 and 2020 401k documents. Use Guidant portal and submit forms and 5500 form for 2018 401k plan year. Emails w/ Guidant regarding same. Further communications w/ J. Curtis. Use Guidant portal and submit forms and 5500 forms for 2019 and 2020 401k plan year. Associated saving of documents to system. Attention to check to UT State Tax Commission regarding unpaid employer withholding tax.	1.20	366.00
7/27/20	TRB	Email to Guidant regarding 401k termination and end of receivership.	.10	30.50
7/28/20	TRB	Emails from Guidant regarding wrapping up and termination of 401k plan. Emails w/ J. Curtis regarding final bill.	.30	91.50
7/28/20	ABL	Draft final declarations for John Curtis and for Tom Barton. Edit and finalize final report and proposed order. Emails with RMA staff regarding accounting issues. Review time entries and attend to various wind-up tasks. Send instructiins to T. Barton.	4.10	963.50
7/30/20	TRB	Work on finalizing Final Report, TRB Declaration, final bill, etc. (2.0). Estimate of additional time necessary to handle final distributions, destroy documents, close accounts, close storage unit, etc. (5.0)	7.00	2,135.00
TOTAL PROFESSIONAL SERVICES				\$ 35,140.50
Less Professional Courtesy				<u>\$ -1,054.22</u>
NET PROFESSIONAL SERVICES				\$ 34,086.28

SUMMARY OF PROFESSIONAL SERVICES

Name	Tkpr	Hours	Rate	Total
Thomas R. Barton	TRB	85.90	305.00	26,199.50
Alex B. Leeman	ABL	21.70	235.00	5,099.50
Matthew J. Van Wagoner	MJV	19.70	195.00	3,841.50
TOTALS		127.30		\$ 35,140.50

COSTS AND DISBURSEMENTS

Date	Description	Amount
8/31/19	Inbound Computer Solutions, Services rendered by Inbound for August, 2019	240.00
9/11/19	United States Postal Service, Change of address for Prince Yeates address	1.05
9/13/19	Messenger Service -TRB, Rocky Mountain Advisory on 9/13/19	7.50
9/15/19	Westlaw Research - TRB - 9/1-15/19	200.00
9/17/19	United States Postal Service, Change of address for Elite IT address	1.05
9/24/19	Messenger Service -TRB, Federal Court on 9/24/19	7.50
9/24/19	Messenger Service -TRB, Rocky Mountain Advisory on 9/24/19	7.50

PARSONS BEHLE & LATIMER

Invoice Number: 1298929

July 30, 2020

Date	Description	Amount
	Faxes	.75
10/09/19	Messenger Service -TRB, Rocky Mountain Advisory on 10/09/19	7.50
10/18/19	Messenger Service -TRB, Rocky Mountain Advisory on 10/18/19	7.50
10/23/19	Messenger Service -TRB, Rocky Mountain Advisory on 10/23/19	7.50
10/25/19	Messenger Service -TRB, Rocky Mountain Advisory on 10/25/19	7.50
	Pacer Court Docket	5.55
11/01/19	Messenger Service -TRB, Rocky Mountain Advisory on 11/1/19	7.50
11/26/19	Federal Express (Utah), Delivery, 11/26/2019, Matthew J. Van Wagoner - Delivery to Justin Farnsworth, The Muller Company	9.68
11/27/19	Messenger Service -TRB, Rocky Mountain Advisory on 11/27/19	7.50
12/05/19	Messenger Service -TRB, Rocky Mountain Advisory on 12/5/19	7.50
12/16/19	Messenger Service -TRB, Rocky Mountain Advisory on 12/16/19	7.50
12/30/19	Messenger Service -TRB, Rocky Mountain Advisory on 12/30/19	7.50
1/28/20	Messenger Service -TRB, Rocky Mountain Advisory on 1/28/20	7.50
2/05/20	Messenger Service -TRB, Rocky Mountain Advisory on 2/5/20	7.50
	Postage	1.50
4/30/20	Westlaw Research - ABL - 4/16-30/20	50.00
5/11/20	Messenger Service -TRB, Rocky Mtn Advisory on 5/11/20	7.50
	Photocopies	41.55
7/21/20	Messenger Service -TRB, Rocky Mtn Advisory on 7/21/20	7.50
TOTAL COSTS AND DISBURSEMENTS		\$ 671.13
CURRENT INVOICE TOTAL		\$ 34,757.41



A Professional
Law Corporation

201 South Main Street, Suite 1800
Salt Lake City, Utah 84111
Main 801.532.1234
Fax 801.536.6111
parsonsbehle.com

July 30, 2020

Thomas R. Barton / Elite IT Receivership
201 South Main Street, Suite 1800
Salt Lake City, UT 84111

Invoice Number: 1298929
Client Number: 27866
Matter Number: 001

REMITTANCE ADVICE

RE: Federal Equity Receivership

BALANCE DUE CURRENT INVOICE

\$ 34,757.41

PLEASE RETURN THIS PAGE WITH YOUR PAYMENT TO:

Parsons Behle & Latimer
Attn: Accounts Receivable
P.O. Box 45898
Salt Lake City, Utah 84145-0898

DUE UPON RECEIPT

Thank you!
Your business is greatly appreciated.

Exhibit 3
RECEIVER'S CREDIT CARD CHARGES

Visa Signature

VIEW CARD NUMBER .. [REDACTED]

i VIEW DETAILS

CURRENT BALANCE

NO PAYMENT DUE AT THIS TIME

[View Rewards >](#)

LAST STATEMENT

CREDIT LINE

AVAILABLE CREDIT

Track

My 

Cred

Score

All Transactions | **Payment Activity**

Pending Transactions



Print

There are no pending transactions.

Posted Transactions Since Your Last Statement

[Print](#)

There are no transactions since your last statement.

Statement Ending Jul 16, 2020

 [View Statement](#)



Print

There are no transactions to show for this statement.

Statement Ending Jun 16, 2020

 [View Statement](#)

[Print](#)

There are no transactions to show for this statement.

Statement Ending May 16, 2020

 [View Statement](#)



Print

There are no transactions to show for this statement.

Statement Ending Apr 16, 2020

 [View Statement](#)



Print

There are no transactions to show for this statement.

Statement Ending Mar 16, 2020

[View Statement](#) [Print](#)

There are no transactions to show for this statement.

Statement Ending Feb 16, 2020

[View Statement](#) [Print](#)

There are no transactions to show for this statement.

Statement Ending Jan 16, 2020

[View Statement](#) [Print](#)

There are no transactions to show for this statement.

Statement Ending Dec 16, 2019

[Download Transactions](#) [View Statement](#) [Print](#)

DATE

DESCRIPTION

CATEGORY

CARD

AMOUNT

✓

DEC
07

Statement Ending Nov 16, 2019

[Download Transactions](#) [View Statement](#) [Print](#)

DATE

DESCRIPTION

CATEGORY

CARD

AMOUNT

✓

NOV
02

GOOGLE *GSUITE ELITEITPAR

Professional Services

Thomas B. ...

\$264.87

Statement Ending Oct 16, 2019

[Download Transactions](#) [View Statement](#) [Print](#)

DATE

DESCRIPTION

CATEGORY

CARD

AMOUNT

✓

OCT
03

GOOGLE*GSUITE ELITEITP

Internet

Thomas B. ...

\$283.14

We use third party marks and logos to help identify prior purchases. Their use does not imply any affiliation between Capital One and these companies. Maps are informational only and not intended for navigation.

[PRODUCTS](#) [ABOUT US](#) [CAREERS](#) [LEGAL](#)

[HELP](#) [CONTACT US](#) [PRIVACY](#) [SECURITY](#) [TERMS & CONDITIONS](#) [ACCESSIBILITY](#) [2019 CYBER INCIDENT](#)

Products and services provided by the Capital One family of companies, including Capital One Bank (USA), N.A. and Capital One, N.A., Members FDIC. Deposit products are insured to [current FDIC limits](#).



Visa Signa...
[REDACTED]
[VIEW DETAILS](#)

CURRENT BALANCE
[REDACTED]

NO PAYMENT DUE AT THIS TIME
[REDACTED]
AVAILABLE CREDIT

[REDACTED] REWARDS MILES
[View Rewards >](#)

LAST STATEMENT [REDACTED]
CREDIT LINE [REDACTED]

Make life easier with 360 Checking® — no fees, 40,000+ fee-free ATMs & 24/7 mobile banking.

Good news if you shop on Amazon — Wikibuy automatically finds & applies available coupons to your order.

- [Track My Credit Score](#)
- [View Statements](#)
- [I Want To...](#)

FILTER BY: [Date](#) [Other Travel](#) [Card](#)

All Transactions | [Payment Activity](#)

Pending Transactions [i](#) [Print](#)

DATE	DESCRIPTION	CATEGORY	CARD	AMOUNT
▼ PENDING	TOWNE STORAGE VINEYARD	Other Travel	Thomas B. [REDACTED]	\$38.00

Posted Transactions Since Your Last Statement [Print](#)

There are no transactions since your last statement.

Statement Ending Jul 16, 2020 [Download Transactions](#) [View Statement](#) [Print](#)

DATE	DESCRIPTION	CATEGORY	CARD	AMOUNT
▼ JUN 30	TOWNE STORAGE VINEYARD	Other Travel	Thomas B. [REDACTED]	\$38.00

	DATE ▾	DESCRIPTION	CATEGORY	CARD	AMOUNT
Statement Ending Jun 16, 2020					
▾	MAY 30	TOWNE STORAGE VINEYARD	Other Travel	Thomas B. [REDACTED]	\$38.00

Statement Ending May 16, 2020 [Download Transactions](#) [View Statement](#) [Print](#)

	DATE ▾	DESCRIPTION	CATEGORY	CARD	AMOUNT
▾	APR 30	TOWNE STORAGE VINEYARD	Other Travel	Thomas B. [REDACTED]	\$38.00

Statement Ending Apr 16, 2020 [Download Transactions](#) [View Statement](#) [Print](#)

	DATE ▾	DESCRIPTION	CATEGORY	CARD	AMOUNT
▾	MAR 30	TOWNE STORAGE VINEYARD	Other Travel	Thomas B. [REDACTED]	\$38.00

Statement Ending Mar 16, 2020 [Download Transactions](#) [View Statement](#) [Print](#)

	DATE ▾	DESCRIPTION	CATEGORY	CARD	AMOUNT
▾	MAR 14	[REDACTED]			
▾	MAR 14	[REDACTED]			
▾	MAR 02	TOWNE STORAGE VINEYARD	Other Travel	Thomas B. [REDACTED]	\$38.00

Statement Ending Feb 16, 2020 [Download Transactions](#) [View Statement](#) [Print](#)

	DATE ▾	DESCRIPTION	CATEGORY	CARD	AMOUNT
▾	JAN 30	TOWNE STORAGE VINEYARD	Other Travel	Thomas B. [REDACTED]	\$38.00
▾	JAN 20	[REDACTED]			

	DATE	DESCRIPTION	CATEGORY	CARD	AMOUNT
✓	JAN 13				
✓	JAN 03				
✓	DEC 30	TOWNE STORAGE VINEYARD	Other Travel	Thomas B. .	\$38.00
✓	DEC 30				
✓	DEC 30				

	DATE	DESCRIPTION	CATEGORY	CARD	AMOUNT
✓	NOV 30	TOWNE STORAGE VINEYARD	Other Travel	Thomas B. .	\$38.00

	DATE	DESCRIPTION	CATEGORY	CARD	AMOUNT
✓	NOV 08				
✓	NOV 08				
✓	OCT 30	TOWNE STORAGE VINEYARD	Other Travel	Thomas B. .	\$38.00

We use third party marks and logos to help identify prior purchases. Their use does not imply any affiliation between Capital One and these companies. Maps are informational only and not intended for navigation.

Case 2:19-cv-00125-RJS Document 164-1 Filed 07/31/20 PageID.5176 Page 51 of 51

